

**IN THE UNITED STATES DISTRICT COURT  
OF THE NORTHER DISTRICT OF ILLINOIS  
EASTERN DIVISION**

NHC LLC,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 2019 C 6332
	)	
CENTAUR CONSTRUCTION COMPANY, et al.,	)	Judge Matthew Kennelly
	)	
Defendants.	)	

**THIRD-PARTY RESPONDENTS' STATUS REPORT**

Third-Party Citation Respondents, Corri McFadden and EDrop-Off Chicago, LLC through their respective undersigned counsel, hereby file this Status Report relating to the NHC's Motion for Turnover Concerning Funds Transferred to Corri McFadden and EDrop-Off Chicago, LLC [Dkt. No. 338] (the "Motion") and the Court's Order dated April 24, 2024 [Dkt. No. 389] and state as follows:

**B. Respondents' Section**

735 ILCS 5/2-1402(c)(3) states, in pertinent part, that:

A judgment creditor may recover a corporate judgment debtor's property on behalf of the judgment debtor for use of the judgment creditor by filing an appropriate petition within the citation proceedings. *See* 735 ILCS 5/2-1402(c)(3).

Pursuant to Section 1402(c)(3), and notwithstanding Third-Party Respondents, Corri McFadden and EDrop-Off, Chicago, LLC's ("EDrop-Off") (collectively "Third-Party Respondents") forthcoming motion for clarification and reconsideration, Third-Party Respondents submit that, at a minimum, two future proceedings are necessary to affect a turnover of the property identified in Plaintiff's Motion based on the proposed courses of action identified in Plaintiff's section of the status report.

First, Plaintiff's proposal ignores the fact that EDrop-Off and Corri McFadden are not the same entity/individual – one is an individual person, and the other is a manager-managed LLC organized under the laws of the State of Illinois. As a result, Plaintiff cannot seek entry of a money judgment for which both parties are “jointly and severally” liable without first attempting to pierce the limited liability shield as set forth in the 805 ILCS 18/10-10(a) and (d). Plaintiff has not done so in this case. Further, if Plaintiff does not wish to pursue such a claim, it would then be required to file two separate, parallel claims against Corri McFadden and EDrop-Off to establish the amounts owed by each, which appears to be the only appropriate courses of action if Plaintiff elects to seek a money judgment based on a fraudulent transfer claim.

Next, Plaintiff's footnote states in pertinent part: “...provided that the Court enters judgment against Respondents based on Ms. McFadden's indebtedness to Centaur and/or Mr. Tsaparas.” Thus, Plaintiff appears to suggest not that a money judgment be entered based on its fraudulent transfer claim, but essentially based upon the principle of “transitive indebtedness” as contemplated in 735 ILCS 5/2-1402(c)(6), which states that a court may: “Authorize the judgment creditor to maintain an action against any person or corporation that, it appears upon proof satisfactory to the court, is indebted to the judgment debtor.” 735 ILCS 5/2-1402(c)(6).

Thus, to the extent that Plaintiff attempts to seek recovery based upon Third-Party Respondents' alleged indebtedness to Centaur and/or Spiro Tsaparas, Plaintiff must first establish such indebtedness actually exists, and then initiate one of the follow up actions identified in Section

1402(c)(6) or (5), consisting of an assignment of loan or “chose in action,” and then actually seek to foreclose on said loan or execute said chose in action.

Respectfully submitted,

Corri McFadden and EDrop-Off Chicago,  
LLC, Third-Party Citation Respondents

/s/ Constantine Gavrilos  
Matthew W. Horn, ARDC #6294719  
Kimberly A. Herring, ARDC #6329811  
Constantine Gavrilos, ARDC #6329716  
Amundsen Davis LLC  
150 N. Michigan Ave., Suite 3300  
Chicago, IL 60601  
(312) 894-3200 - Fax (312) 894-3210  
mhorn@amundsendavislaw.com  
kherring@amundsendavislaw.com  
cgavrilos@amundsendavislaw.com

**Certificate of Service**

I, Constantine Gavrilos, certify under penalties as provided by law, that a copy of this Third-Party Citation Respondents' Status Report, was filed via Electronic Case Filing (ECF) on May 7, 2024, and that the below-listed parties are registered to use the ECF in the Northern District of Illinois and therefore service on them was accomplished by ECF on May 7, 2024.

/s/ Constantine Gavrilos

<b><u>Attorneys for NHC</u></b> Joshua J. Orewiler Daniel P. Jackson Vedder Price P.C. 222 N. LaSalle Str. Chicago, IL 60601 (312) 609-7500 <a href="mailto:jorewiler@vedderprice.com">jorewiler@vedderprice.com</a> <a href="mailto:djackson@vedderprice.com">djackson@vedderprice.com</a>	<b><u>Attorneys for NHC</u></b> Gini S. Marziani Davis McGrath LLC 125 S. Wacker Dr. Chicago, IL 60606 (312) 332-3033 <a href="mailto:gsmarziani@davismcgrath.com">gsmarziani@davismcgrath.com</a>
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